REMARKS

Reconsideration of all grounds of rejection in the Office Action, and allowance of all of the pending claims are respectfully requested in light of the following remarks.

Claims 1, 3-5, 7-9, 11-13 and 15-20 stand rejected under 35 USC 102(b) as being anticipated by Boyce et al.(U.S. Patent No. 6,025,878). Claim 1, 5, 9 and 13 are independent claims.

Applicants respectfully traverse the rejection of claim 1 over Boyce et al. because instant claim 1, *inter alia*, recite, "wherein the reduced B-frames are produced by: identifying blocks associated with the B-frames; and selecting transform coefficients included in a predetermined area of the blocks associated with the B-frames". Other base claims recite similar features.

As noted in the specification, an advantage of the present invention lies in the fact that the modified ISIQ unit 14 reduces the number of DCT coefficients in B-frames before performing the inverse scanning and inverse quantization on the DCT coefficients included in such frames. The modified ISIQ unit 14 reduces the DCT coefficients in B-frames by first identifying DCT blocks associated with the B-frames using header information, then selecting the DCT coefficients included in a predetermined area of these blocks (page 5, lines 5-15 and page 6, lines 4-7).
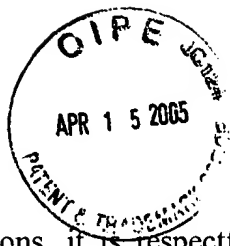
In contrast with the above-claimed feature, Boyce et al. is silent in regard to at least the above-claimed feature. The Office Action indicates, citing col. 6 line 61 to col. 7 line 6, that Boyce et al. teaches generating reduced B-frames by removing high AC coefficients in B-frames, and the remained coefficients ("coefficients selected") and area included in the B-frames that the remained coefficients are occupied ("predetermined

area") refer to applicant's claimed features. Thus, Boyce et al. discloses anticipates the present invention. However, applicant respectfully submit that the Office Action is wrongfully equating the claimed features with the passage cited in Boyce et al. (col. 6 line 61 to col. 7 line 6).

Applicant has carefully read the passage cited at col. 6 line 61 to col. 7 line 6, which states that "the preparser 112 limits the number of DCT coefficients which are used to represent each macroblcok by discarding the higher frequency DCT coefficients which exceed a preselected number of DCT coefficients. The removal of AC DCT coefficients may be performed preferentially on B-frames, then P-frames and then I frames, with a preference for retaining data in earlier P-frames as opposed to late P-frames..."

Accordingly, Boyce et al. merely limits the DCT coefficients to a predetermined number by removing the highest order DCT coefficients. Therefore, Boyce et al. does not disclose "identifying blocks associated with the B-frames and selecting transform coefficients included in a predetermined area of the blocks associated with the B-frames", as required by the claims.

Therefore, it is respectfully submitted that present claims are not anticipated by Boyce et al. Reconsideration and withdrawal of this ground of rejection are respectfully requested.
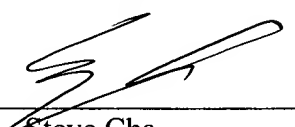
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For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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Date: April 13, 2005

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Attorney for Applicant
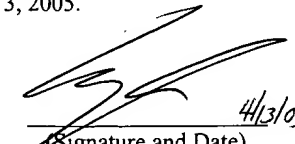Registration No. 44,069

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4/13/05
(Signature and Date)